

A Framework to Th**RIVE**

A 2015 Economic Agenda



Rhode Island Senate
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INTRODUCTION

Over the past several

years and in the wake of the recent recession, the Rhode Island General Assembly has aggressively worked to improve the state's economic competitiveness and promote business growth. Among many other initiatives, the last five legislative sessions have included significant reforms in the state's personal income and corporate tax, a raising of the estate tax threshold to a level comparable with neighboring states, creation of a standing Office of Regulatory Reform, strategic alignment of the state workforce development system, an influx of new resources for job training, creation of a long-term transportation infrastructure funding mechanism, and reforms and enhanced resources for the state's education system (Table 1).

As 2015 begins, Rhode Islanders are experiencing better times, but the Ocean State's financial footing lags behind its New England neighbors and the nation as a whole. Job growth is steady, but slow. Wage growth is tepid. Troublingly, young people continue to leave the state in unacceptable numbers for career opportunities elsewhere. National economic rankings, regardless of their validity, reinforce an image of a state struggling to welcome businesses, encourage their success, and provide opportunities for innovation.

For all Rhode Islanders to thrive, the Ocean State needs to experience an even stronger magnitude of economic change. Such momentum will not occur on its own. This shift can emerge, however, through improvements to underlying conditions that result from new strategies, adjustments to promising policies, and additional fuel for those policies and programs that have demonstrated their success. Building on the Senate's leadership and efforts of the recent past, this document provides a framework and identifies a number of economic development priorities for the 2015 legislative session.

Recent Statewide Economic Progress and Achievements

COST OF DOING BUSINESS

- ✓ Reformed personal income tax system and cut the top marginal rate from 9.99% to 5.99%
- ✓ Reduced the top corporate tax rate from 9% to 7% - the lowest top corporate tax rate in the Northeast
- ✓ Raised the estate tax threshold to a level that matches or exceeds neighboring states. Eliminated the 'cliff effect'
- ✓ Created a first-in-the-nation statewide sales tax exemption on original works of art

REGULATORY REFORM

- ✓ Created an Office of Regulatory Reform to cut red tape
- ✓ Required economic impact analyses of all small business-relevant state regulations
- ✓ Began the development of a single uniform statewide electronic permitting system

WORKFORCE DEVELOPMENT

- ✓ Brought strategic alignment and coordination to the statewide workforce development system
- ✓ Redirected over \$1.2 million in ongoing funds from the General Fund to workforce training and jobs programs
- ✓ Created and funded multiple new and innovative workforce development programs
- ✓ Supported CCRI's capacity to secure and implement non-credit workforce training programs

INFRASTRUCTURE

- ✓ Created a Municipal Road and Bridge Revolving Fund for local infrastructure repairs and improvements
- ✓ Ended the practice of issuing bonds to pay for transportation projects- reducing future debt
- ✓ Established a Transportation Infrastructure Fund for state-level repairs and improvements along with dedicated funding streams

EXECUTIVE SUMMARY

The Rhode Island Senate continues to set the state's economic improvement as the top priority for 2015. Some items on its agenda will include:

Recommendation 1: Expedite College Degree And Certification Completion To Meet Rhode Island's Demand For Skilled Workers

1a. Adopt Performance-Based Funding For Public Higher Education In Rhode Island

1b. Reinvent the Community College of Rhode Island As Rhode Island's Workforce Engine

Recommendation 2: Support Initiatives That Close The Achievement Gap

2a. Examine How Changes To The Public School Teacher Contract Negotiating Process Can Maximize Student Outcomes

2b. Fund Those Initiatives That Close The Achievement Gap, Including Universal Full-Day Kindergarten

Recommendation 3: Accelerate The State's Regulatory Reform Efforts

3a. Provide The Resources And Authority Needed By The State Office Of Regulatory Reform

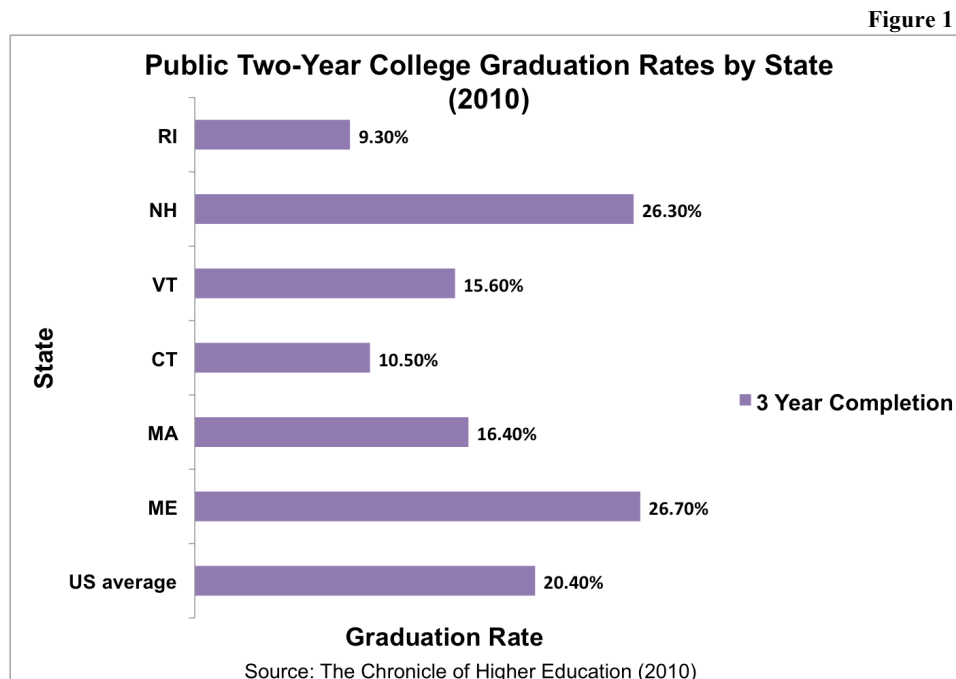
3b. Expand E-Permitting Statewide And To Other Municipal Approval And Licensing Functions

3c. Enhance Efficiency And Customer-Centeredness In State Agencies by Creating A "Governmental Responsiveness, Expediency, And Efficiency Team" (GREET)

The Senate looks forward to working with the Governor, the Rhode Island House of Representatives, and public and private partners throughout the state as these ideas, and others, are discussed and considered during the 2015 legislative session.

RECOMMENDATION 1: EXPEDITE COLLEGE AND CERTIFICATE COMPLETION TO MEET RHODE

For a first time, full time student attending one of Rhode Island’s public institutions of higher education, the odds of graduating within the two or four years expected are slim. At the Community College of Rhode Island (CCRI), only about 1 in 30 students earns an associate degree (a two-year degree) within two years. Extending the time frame to three years (or 150% of the time associated with the requirements of a two-year degree), fewer than 1 in 10 CCRI students completes their degree.¹ The situation is especially distressing for the 66 percent of new CCRI students who need to take a remedial class before enrolling in a credit-bearing course. Of those students who complete a remedial course, the majority does not go on to take a credit-bearing course in English or mathematics -- key gateway disciplines to a degree -- within the next two years.² Rather than serving as foundations for academic achievement, remedial classes act as roadblocks, regardless of students’ age, race, or income level.³ Many students who attend similar public two-year institutions in other New England states fare better than students attending CCRI on important academic and completion measures (Figure 1).⁴



The chances of earning a degree are better at Rhode Island College (RIC) and the University of Rhode Island (URI). At RIC, a first time, full time student has about a 1 in 6 chance of earning a bachelors degree (a four-year degree) in four years.⁵ A little more than 4 in 10 students at URI will obtain a bachelors degree by the fourth year. While overall completion rates at RIC and URI compare favorably regionally and nationally, low-income and minority students at all three of Rhode Island’s public institutions of higher education are among the least likely to finish at all.⁶

Students who take longer to graduate pay a high price, literally. They pay more for their degree than their counterparts who finish more quickly, and they may sink into debt to cover tuition and fees as their federal and state aid is exhausted. They may leave school with significant debt in their name and with no degree or certificate to show for their efforts.¹⁰ Sadly, even some students who obtain a degree or certificate find that there are no Rhode Island jobs waiting for them. The state, too, loses out when young people: (a) complete a certificate or degree for which there is no corresponding in-state job, (b) fail to earn a certificate or degree, (c) take longer than necessary to enter into the labor pool, and (d) cannot achieve economic security because they are saddled with debt.

To build the workforce that our state needs now and into the future, it is imperative that Rhode Island increases the number of students who graduate with degrees and earn high-demand certificates. Businesses need skilled workers, and our workers need the skills and education to become employed. While our public institutions of higher education have much to be proud of, this situation suggests that Rhode Island can do better. Other states have reprogrammed the way they fund higher education to obtain the results that the state deems important. Rhode Island's current higher education funding mechanism does nothing to promote better student outcomes. If the state funds that support higher education are to increase, those new investments must be tied to realistic, measurable, and necessary outcomes.

Impact of Student Debt

Rhode Island has the fourth highest average student loan debt in the US.

- More than 3 out of 4 members of the Class of 2013 at RIC and URI graduated with student debt.⁷
- While many students incur loans to finish a college degree, for borrowers who drop out before completing their degree, there is little benefit in terms of higher wages.
- Students with loan debts are more likely to live with their parents and less likely to purchase a car.
- Student loan borrowers who are delinquent on their payments or default on their loans have potentially long-lasting negative effects on credit scores, and they are less likely to start a business.^{8,9}

RECOMMENDATION 1a: ADOPT PERFORMANCE-BASED FUNDING FOR PUBLIC HIGHER EDUCATION IN RI

Improving the rates of student completion of degrees and certificates is challenging work that has also been identified by the Rhode Island Commissioner of Postsecondary Education as a priority. It will take the commitment of faculty and administrators to deliberately – and with a sense of urgency—integrate structural and academic changes that are known to impact student success. Re-examining approaches to remediation, streamlining scheduling, and identifying and steering resources to students who are veering off track are steps that can be taken at the institutional level.¹¹ At the same time, a different approach is needed that ties funding to credential completion in the high wage/high demand jobs that the state has and wants to increase. This process

should begin now, and be completed expeditiously. Rhode Island should begin to direct new funding to its public institutions of higher education based on the success students experience in earning a credential – especially low-income and minority students – in disciplines that matter to the state. Performance-based funding can do this, while simultaneously recognizing the unique role played by each institution. By establishing a performance-based system that rewards institutions on measures of student progress and completion, the state can provide financial incentives to clearly guide allocation decisions in our three public institutions.

Legislation has been developed to identify a funding mechanism that rewards performance, requires accountability, and enhances transparency. Implementation will involve the leadership of the Commissioner of Postsecondary Education, the Board of Education, the state’s three public institutions of higher education, and other essential leaders, to create a new approach to public higher education funding that is built on the education progress, success, and achievement of all students. This effort will include:

- Establishing targets and measures that are appropriate for the institutional mission and that reward institutions for supporting the academic achievement and attainment of all student populations;
- Prioritizing the on-time completion of degrees and certificates, and the alignment of degrees and certificates with Rhode Island’s business needs, especially in high wage/high demand areas;
- Identifying how to tie new funding to an institution’s success at meeting targets; and
- Planning for a phased-in implementation to expand to essential outcomes.

CUNY’s Accelerated Study in Associate Programs (ASAP)

The City University of New York’s (CUNY) ASAP assists students in earning associate degrees within three years by providing a range of financial, academic, and personal supports.

ASAP offers students:

- Special class scheduling options to ensure that they get the classes they need, are in classes with other ASAP students, and attend block-scheduled classes.
- Additional supports to help them transfer to 4-year colleges or transition into the workforce.

Recent research demonstrates that:

- ASAP participants dramatically outpaced their comparison group with regard to persistence, credit accumulation, and graduation.¹²
- A cohort of 1,000 ASAP students would generate more than \$46 million to taxpayers beyond investment costs.¹³

Preparing for Future Workforce Demands

General Dynamics Electric Boat, projects that the current difficulty it experiences finding Rhode Island employees for advanced manufacturing jobs in Quonset will only intensify over the next 5 years. The employment outlook for Electric Boat is positive, with both long-term growth and cyclical growth anticipated. The company's advanced manufacturing jobs offer compensation that can exceed the average salary in the state by almost 40 percent. These opportunities for family-supporting wages go unfilled due to a lack of information about advanced manufacturing, a lack of programs that prepare students for these jobs, and a lack of basic math and communication skills present in the state's workforce pipeline.¹⁴

RECOMMENDATION 1b: REINVENT CCRI AS RHODE ISLAND'S WORKFORCE DEVELOPMENT ENGINE

All public bodies share responsibility to support Rhode Island's workforce, but one institution in particular – Community College of Rhode Island – stands at the very center of the Ocean State's ability to catalyze opportunities in the twenty-first century. CCRI plays a dual role by acting as a gateway to traditional higher education and by serving as a workforce development engine for the state's business community. Rhode Island's economic future is linked to CCRI's success at fulfilling both of these key responsibilities. Within available resources, even with grants from the federal government, CCRI has been challenged to meet the demands of preparing a workforce that can respond effectively to current and future labor market needs. CCRI needs to recalibrate its institutional structure, processes, and practices with a sense of urgency, or more expensive, private institutions within our state and nearby will be the only option for Rhode Island students seeking 21st century training and skills. Performance-based funding may assist in this recalibration.

Like community colleges throughout the nation, CCRI encounters students with differing levels of college and career readiness and who are unfamiliar with how to navigate through an academic program. These factors can slow student progress and stand in the way of their completion of degrees and certificates.¹⁵ Students attending CCRI have signaled that the status quo is simply not working for them. The low completion rate of students in developmental (or remedial) classes, their low persistence rate from one year to the next, and their poor odds at earning a degree or certificate all attest to an unresponsive system that is crying out for reexamination.¹⁶ We can learn from those community colleges in other states that have implemented changes that lead to measurable student progress and tangible improvements in completion rates.¹⁷

To set the stage for its transformation, CCRI should present a plan to the General Assembly by May 21, 2015, that describes how it will restructure its delivery of student advising and academics to reflect proven national best practices. In other states, these best practices result in students entering community college with a clear understanding of which majors lead directly to local jobs, and with students progressing through

academic milestones for an on-time graduation within two to three years. The plan should include the redesign of developmental courses to integrate remediation with academic content, an aggressive streamlining of course and program requirements in structured student pathways, scheduling classes in more intensive and longer periods or “blocks,” and emphasis on student retention and completion, as well as objective progress indicators and student outcomes that can serve as the basis for performance funding.

CCRI can go beyond transforming its academic enterprise, and fundamentally reexamine its workforce development practices. CCRI can accomplish this by building on the findings of the CCRI 21st Century Workforce Commission, which the General Assembly created more than six years ago. This cooperative endeavor among CCRI, the Rhode Island Economic Development Corporation, and other stakeholders resulted in a series of four recommendations that were released in 2010.¹⁸

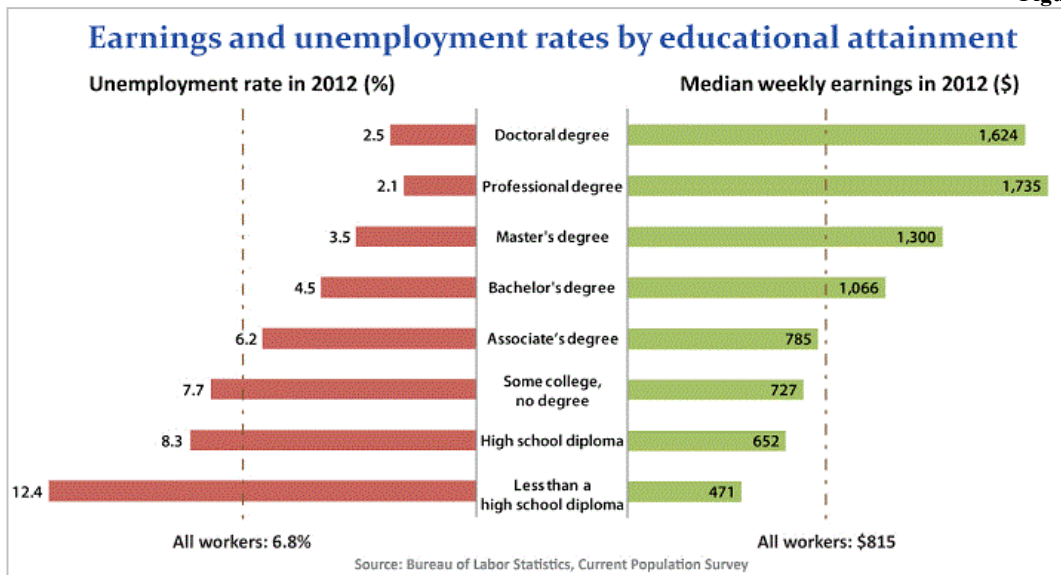
1. Enact legislation to create a statewide career pathways system that is driven by industry needs
2. Strengthen CCRI’s capacity to raise the knowledge and skill levels in a greater share of the state’s population
3. Encourage a culture of innovation and responsiveness at CCRI to meet the workforce development needs of students and business
4. Fund the recommendations of the CCRI Commission

The pace of change at CCRI in the years since the Commission issued its recommendations is inconsistent with the state’s urgent need to revitalize its workforce. Performance-based funding will help to align expectations with outcomes.

RECOMMENDATION 2: SUPPORT INITIATIVES THAT CLOSE ACHIEVEMENT GAPS

Closing academic achievement gaps in Rhode Island is not just a moral imperative – it is an economic necessity. About 50 percent of all new Rhode Island jobs are projected to require some form of postsecondary credential, either a certificate in a high skills area or a degree. These credentials benefit the individuals who earn them – in the form of higher incomes and lower unemployment rates – as well as the state as a whole – through more taxes on higher earnings and greater social well-being (Figure 2).

Figure 2



While Rhode Island has put into place high statewide standards for teacher preparation and our communities strive to provide a high-quality public education, our schools struggle to bring academic success to all students. Among the state’s demographic groups, Whites and Asians realize high rates of degree attainment, but Blacks, Native Americans, and Hispanics/Latinos consistently fall behind on measures of academic achievement. The smallest state in the nation needs all young people to graduate from high school with a solid academic background. Rhode Island can not afford this pattern of differential achievement to continue.

RECOMMENDATION 2a: EXAMINE HOW CHANGES TO THE PUBLIC SCHOOL TEACHER CONTRACT NEGOTIATING PROCESS CAN MAXIMIZE STUDENT OUTCOMES

Each year in Rhode Island, about a third of the state’s 36 school districts invest considerable resources to negotiate teacher contracts. School district leaders and representatives of local bargaining units scrutinize the framework of the existing

contract and the finances that are available, and, with the support of the locally elected or appointed school committee members, negotiate a new contract. Under Rhode Island law, these contracts can not exceed three years in length, which means that the cycle will soon repeat itself. The effort invested in teacher contract negotiations means that district leaders are less able to attend to educator effectiveness, student support, curriculum quality, and programmatic rigor. Incentives to place the best teachers in the schools that most need them, if they exist at all in contractual language, are afterthoughts. Ambitious teachers interested in new opportunities working with struggling learners in another

district are forced to remain in place because of contractually-based impediments, which limits professional growth. Two districts that might benefit from sharing one teacher are stymied by current practices. It is time question whether Rhode Island students would be better served if school districts focused their energies and attention on academic matters, and a statewide contract was in place for teachers.

In 2003, the General Assembly asked the Department of Administration (DOA) to conduct a cost/benefit analysis of a statewide teacher contract. According to the DOA's May 2004 final report, depending on the choices made, the financial impact would range from a savings of about 14 percent or an increase of 17 percent more than the status quo.²⁰ The education landscape has changed considerably over the decade that has passed since the DOA's report. The stubborn hold of the achievement gap in Rhode Island means that hundreds of low income and non-English speaking students still do not acquire the knowledge they need to move forward in life and to become the kind of workers that our state needs to thrive.

There is a foundation for the consideration of a statewide teachers' contract. A recent effort to address the costs of health insurance for local school districts resulted in the definition of some common health plan designs that could be adopted across the state. The restructuring of the state pension system impacted many school district employees, along with state employees. In addition to other relevant statewide policies, state law sets in place the presence of teacher salary "steps."

To determine if a fresh approach would benefit the state, legislation will be introduced to create a task force representing a balance of stakeholders, to explore the feasibility and measurable anticipated benefits of a statewide teacher contract.

Statewide Teacher Contract

Hawaii offers Rhode Island a model for what a statewide teacher contract might look like. With slightly more than 180,000 K-12 students in 255 traditional schools and 34 charter schools, Hawaii's statewide teacher contract affects approximately 11,400 teachers. The four-year contract that was approved by teacher union membership in April of 2013 increased teacher raises, included teachers and union leaders in decision-making about the state's new teacher evaluation system, and required that half of a teacher's evaluation would be based on student growth.¹⁹ Hawaii has gained a reputation nationwide for its recent, noteworthy student achievement gains in both reading and mathematics.

RECOMMENDATION 2b: FUND THOSE INITIATIVES THAT CLOSE THE ACHIEVEMENT GAP, INCLUDING UNIVERSAL FULL-DAY KINDERGARTEN

Emerging research suggests that investments in initiatives that close achievement gaps more than pay for themselves in the form of economic growth. High quality pre-kindergarten and kindergarten, for example, stand out as public investments in terms of benefits to individual students and to taxpayers.^{22 23} Over the course of the past three legislative sessions, the Rhode Island General Assembly has stood behind early learning investments, and the actions of school districts, the Department of Elementary and Secondary Education, and Rhode Island Kids Count have allowed a vibrant early learning environment to take hold in many locales. Although Rhode Island continues to face difficult economic times, education programs that deliver results must be prioritized.

Efforts to close the achievement gap: Massachusetts²¹

- State priority: cut student proficiency gaps in half by 2017.
- Developed goals and metrics related to closing the achievement gap for low- and moderate-income students, adult students, and students needing remediation.
- Emphasized reducing waiting lists for early childhood education programs.
- Directed funding at adult college transition programs for low-income and entry-level workers.
- Re-examined requirements for teacher training in math and science.

Thanks to Rhode Island's \$50 million Race to the Top Early Childhood Challenge grant, more children in the Ocean State will be able to attend quality, full-day pre-school programs. But preschoolers in seven districts will graduate in June only to find themselves attending half-day kindergarten come September. This discrepancy represents a giant step backwards for too many of our children. Full-day kindergarten can better prepare young students for success in the elementary school years in terms of academic skills, as well as ready-to-learn behaviors.^{25 26} While full-day kindergarten supports all kinds of students, it especially helps high-need children. In terms of public investment, full-day kindergarten may produce learning gains per dollar spent that exceed those of other, proven early education interventions.²⁷ To further propel student success, legislation has been introduced to incentivize school districts to implement universal full-day kindergarten.

Efforts to close the achievement gap: Connecticut²⁴

- State priority: eliminate achievement gap by 2020.
- State legislature formed the Interagency Council for Ending the Achievement Gap in 2011 to oversee the implementation of a master plan.
- Funded an intensive K-3 reading intervention program for low-performing schools.
- Supported 1,000 spaces in school-readiness programs and required academic improvement plans in low-achieving schools and districts.

RECOMMENDATION 3: ACCELERATE THE STATE'S REGULATORY REFORM EFFORTS

In 2010, the Rhode Island Office of Regulatory Reform (ORR) was created with the statutory purpose to “provide for the regular review of Rhode Island's regulatory processes and permitting procedures, report thereon in an effort to improve them, and assist and facilitate economic development opportunities within the regulatory and permitting processes and procedures that exist within Rhode Island state and municipal government.”²⁸

In 2012, the General Assembly passed legislation requiring the ORR to partner with state agencies to review all state regulations with an impact on small businesses. The legislation directed agencies to review 25 percent of such regulations each year for four years, until all existing regulations are evaluated. Shortly after signing the legislation into law, the Governor directed state agencies to significantly accelerate this review, by requiring that 25 percent of all such regulations be reviewed within a 120-day time frame and that all regulations be reviewed within a year and a half.²⁹

With Rhode Island ranked 46th for “Business Friendless” on the highly publicized CNBC ‘Best States for Business’ Index and with a reputation for being an over-regulated state, ORR serves an important function in making the state friendlier to businesses and job creation, while continuing to protect the health, well-being, and quality of life for all citizens of the Ocean State. The Office has taken a methodical approach to fulfilling its duties, which include regulatory review and reform, as well as an ombudsman role to assist businesses with navigating regulatory and permitting issues, and the development of a streamlined electronic permitting process for the state.

RECOMMENDATION 3a: ACCELERATE EFFORTS TO STREAMLINE THE REGULATORY ENVIRONMENT BY PROVIDING THE RESOURCES AND AUTHORITY NEEDED BY THE OFFICE OF REGULATORY REFORM

Since its inception five years ago, ORR has made progress improving the Ocean State’s regulatory system. As described in its December 2014 report to the Governor and General Assembly, ORR’s across-the-board review has resulted in state agencies’ identification of more than 250 changes needed to improve the regulatory environment.³⁰ Almost three-quarters of these changes are complete, and state agencies project that all remaining reforms will conclude in 2015. These changes are critical to Rhode Island’s economic well-being. Using its own economic development model, ORR determined that two-thirds of all regulations in the state impact Rhode Island’s small businesses.

Streamlining the regulatory environment directly supports the state's hard-working business community. ORR must be adequately staffed and resourced, and equipped with sufficient authority to carry out its regulatory reform and administrative simplification roles.

ORR is identifying state laws that are the source of potentially redundant, complicating, or currently unnecessary regulations. Reviewing and revising those laws will be a legislative priority.

RECOMMENDATION 3b: EXPAND E-PERMITTING STATEWIDE AND TO OTHER MUNICIPAL APPROVAL AND LICENSING FUNCTIONS

Regulatory reform and business-friendly practices take place at all levels of government. Rhode Island's economy thrives when promising initiatives can move seamlessly through the approval process at the state and municipal levels. Access to real-time information can make a project launch take place on schedule, and its absence can create a backlog that frustrates businesses and the staff who are responsible for managing the approval process. In 2012, the General Assembly required and later funded a statewide electronic permitting system, with the goal of having a fully operational, web-based accessible system to be used by the state and municipalities for uniform, statewide electronic plan review, permit management, and inspection system management. State budgets for fiscal years 2013 through 2015 included a total of \$900,000 in general revenue (\$300,000 each year) to fund consultant services and technology required to gather and "map" information regarding the state's and each municipality's building permit management and inspection methods. Complete process maps have been created for the state Building Inspector's and Fire Marshal's permitting functions, information critical to an on-demand, customer centric system, as well as greater use and accountability. In August of 2014, 26 of the 39 cities and towns submitted applications to participate in the first phase of the e-permitting system and 10 municipalities were selected to pilot the initiative.

Our cities and towns are sending a clear signal that they support e-permitting. This program should be expanded to any municipality that is prepared to participate. Consideration must also be given to the further expansion of the electronic permitting platform to allow for additional municipal services and licenses to be applied for and reviewed electronically. Due to the start-up fees incurred by municipalities to participate, continued state funding will be necessary to fully implement this effort. With this electronic permitting system in place, Rhode Island stands to significantly improve the regulatory climate of our state, and improve the opportunities for development. Legislation has been introduced to implement this recommendation.

RECOMMENDATION 3c: ENHANCE EFFICIENCY AND CUSTOMER-CENTEREDNESS IN STATE AGENCIES BY CREATING A “GOVERNMENTAL RESPONSIVENESS, EXPEDIENCY, AND EFFICIENCY TEAM” (GREET)

States throughout the country have recognized the need to recalibrate their operations. Some states have opted to put “Entrepreneur in Residence” programs into their government agencies that nurture innovation. Rhode Island’s state agencies can also benefit from the experience of expert teams from the business world. The Ocean State can tap its excellent repository of private-sector executives to serve as Governmental Responsiveness, Expediency, and Efficiency Team (GREET) members. These respected professionals can bring to state government their proven success in three management reforms that are essential to improving operations and fostering an environment that embraces progress. These are:

- Responsiveness—Every unit of every agency needs to recognize through their operations that the fundamental mission of state government is to serve the public. Rhode Island’s state agencies must become approachable and quick to respond to their customers, whether they are private citizens or organizations.
- Expediency—State agencies need to act aggressively to reduce bureaucratic hurdles that are in place through regulations, policies, or simply the conduct of business-as-usual. By reducing paperwork, eliminating duplicative steps in approval processes, and fully using technology, state agencies can improve their customers’ experiences and streamline their workloads.

Lean Initiatives at RIDEM

Rhode Island Department of Environmental Management (RIDEM) applies Lean approaches to its permitting functions, by:

- Simplifying the permitting process;
- Improving the consistency of reviews;
- Aligning work assignments to ensure the best use of staff skills and time; and
- Increasing transparency by better communicating to applicants the permitting process timelines, and status.

Using Lean, DEM created the Permit Application Center (PAC), a single point of entry for all DEM permit applications, to provide better customer service.³¹ Within one business day, the PAC confirms receipt of an application and works with customers if an application is incomplete. The PAC also provides pre-application assistance, responds to general inquiries, and handles public records requests.

What is Lean?

Lean improvement initiatives were initially developed and used in the private sector to make manufacturing processes more efficient. These techniques have been applied successfully to government, with a focus on systematically identifying and eliminating waste by streamlining performance. The goal of Lean Government is to improve overall efficiency, effectiveness, and consistency in performance of tasks critical to an agency’s mission.³²

- Efficiency—All state agencies are supported through public monies that are both scarce and precious. By identifying and eliminating waste through “lean” principles and techniques, state agencies can create more value with fewer resources.

The Senate proposes that the Department of Administration organize and lead a coordinated statewide approach to place qualified executives in volunteer positions as GREET members within state agencies. GREET members will reflect selection criteria established by the Department, serve one-year terms, and provide services and advice to state agencies at no cost. Agency directors may request to the Department or appointing executive that GREET member be positioned within his or her agency for a set amount of time. The perspective of the GREET member can help develop new, more efficient customer-centered systems, embed responsiveness into agency operations, and find novel ways of doing “more with less” in a time of limited resources. Legislation has been developed introduced to create the GREET program.

CONCLUSION

In the aftermath of the recession, pockets of the nation still struggle to create jobs, stimulate economic development, support businesses, improve public education, and foster an environment of effectiveness and responsiveness within government agencies. While the Ocean State is not unique in facing such challenges, these difficulties have affected core services that impact every resident.

An array of choices lies ahead. A state-crafted path will call for shared vision, a collective weighing of options, and decisions that are supported at multiple levels. The Senate offers this report with the deliberate intent to direct attention and action. During 2015, the Senate's legislative agenda will build on the recommendations reflected in these pages, to identify new opportunities, provoke much-needed discussion, and provide the framework for a Rhode Island in which everyone thrives.

Sources and Websites referenced throughout the text include:

¹ Integrated Postsecondary Education Data Systems, United States Department of Education, 2009 cohort of first time, full time students at CCRI. According to CCRI, just 1 student in 10 earns a degree within a three-year timeframe. See the 2012 Community College of Rhode Island presentation entitled, *Who we serve and how do we perform: It's about choices*. Available online at http://www.ccri.edu/president/powerpoints/2012_institutional_research.pdf.

² Information on the participation of students in remedial education is notoriously difficult to obtain, track, and compare. Rhode Island is one of many states that does not have a consistent way of reporting on remedial education. Efforts such as those of the Education Commission of the States to generate a common reporting approach to remedial education may provide key information for comparisons and decision-making in Rhode Island. See Education Commission of the States (2014). *A cure for remedial reporting chaos: Why the U.S. needs a standard method for measuring preparedness for the first year of college*. Available online at <http://www.ecs.org/docs/Cure-for-Remedial-Reporting-Chaos.pdf>.

³ Complete College America (2013). *Remediation: Higher education's bridge to nowhere*. Available online at https://www.insidehighered.com/sites/default/server_files/files/CCA%20Remediation%20ES%20FINAL.pdf. Since Rhode Island did not provide state-specific information on the success of students in remedial courses at CCRI, RIC, and URI, it is difficult to compare the Ocean State with its neighboring states and the nation as a whole.

⁴ Outside of financial reports, comparisons across institutions of higher education can be cumbersome to make. The U.S. Department of Education's Institute of Education Science maintains the Integrated Postsecondary Education Data System (IPEDS), which remains the single best tool to access comparative information in higher education on a variety of student and institutional indicators. It is available online at <http://nces.ed.gov/ipeds/datacenter/>

⁵ Integrated Postsecondary Education Data Systems, United States Department of Education, 2005 Cohort for RIC and URI.

⁶ The Chronicle of Higher Education maintains a database comparing graduation rates across the U.S., and these data on Rhode Island, like the other data, are from 2010. Available online at <http://collegecompletion.chronicle.com>.

⁷ Rhode Island statistics courtesy of the Project on Student Debt. Available online at http://projectonstudentdebt.org/state_by_state-data.php.

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